

APPENDIX 1. Commissioning Options Table

Option 1 – Move to spot provision (do nothing)	
<p>Benchmarking – The Care Act 2014 requires local authorities to manage their local market, which includes facilitating, oversight, structuring, analysis and engagement. A move to spot purchased arrangements across Camden would mean that all care and support would be provided by a number of providers with lower ability to enforce adherence to the <i>Ethical Care Charter</i> (ECC) as only partial commitment is required for spot providers e.g., London Living Wage. Providers would win spot contracts on a first come first serve basis and commissioners would work with spot providers to meet a minimum level of care and support and quality across the borough.</p>	
Pros	Cons
<ul style="list-style-type: none"> Having a number of spot providers can enable a more fluid approach to market management during critical periods e.g., during the pandemic and supporting winter planning. Management of spot provision can be successful when managing a small number of spot providers that we have strong relationships with. Spot providers are willing to engage with Council service development to support strategic direction towards strengths-based working and other market wide approaches. Lower costs to neighbourhood contracted providers due to less adherence to the ECC. 	<ul style="list-style-type: none"> Leaves the market in an unstable position where the Council relies too heavily on ad hoc purchase arrangements with providers. Council has less influence over providers purchased through ad hoc purchasing relationships. Less able to meet requirements of the Care Act, such as to prevent, reduce and delay future needs for support. Across health and social care, this is not a common method for managing the local market well. Where we have examples of its use, boroughs work with over 100 providers and do very little quality assurance. This does not support the current strategy for care and support at home, which is to develop a neighbourhood approach with partners in health and care. Poorer quality services could result in more people moving to care homes and / or nursing

	<p>homes which are more expensive.</p> <ul style="list-style-type: none"> • Would result in the Council continuing contractual relationships with known issues, causing poor outcomes for residents • Council has a lower ability to enforce adherence to and meet the requirements of the <i>Ethical Care Charter</i> (ECC) as only partial commitment is required for spot providers e.g., London Living Wage. • Less able to ensure the price of care and support at home, leaving the Council vulnerable to provider-led price rises. • Not able to share and embed our strategic approach, trial new ways of working and ensure providers share our values.
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Financial assessment – No change beyond usual annual inflationary uplift process.

Outcome	Not recommended
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Option 2 – Commission services

Benchmarking – In line with Care Act requirements to manage the local care market, strategically commissioning services improves the ability of the Council to build strong relationships and influence over the local care and support provision. Following our statutory Fair Cost of Care exercise, commissioning the services will better enable the Council to fix the price of care and support at home over the period of the contract.

This option considers commissioning 5 providers for homecare and 3 for reablement with the same neighbourhood footprint as our social care teams, with 2% for the first four years of the contract for continuous service improvement through staff engagement, protected learning time, and support to trial new ways of working. It is considered that this will support us to have a structured and supportive approach with our providers to improve service delivery, relationships with social care practitioners and outcomes for residents. In addition to this, the new ways of working approach will better enable residents to engage with their local communities, support an enabling approach throughout service delivery, thus facilitating a prevent, reduce and delay approach to the provision of services.

This will better enable adult social care to strengthen the neighbourhood networks with partners and ensure better outcomes for residents, whilst improving working conditions for the social care

commissioned workforce. Furthermore, this will allow us to embed our social value commitments into the new contracts.

Please see list below of comparator local authority cost per hour of homecare, which shows that commissioning in this way would keep us competitive across London.

- Bromley, £29.33
- **Camden, £21.87**
- Hackney, £21.26
- Hounslow, £23.24
- Islington, £21.30
- Kensington & Chelsea, £21.88
- Kingston Upon Thames, £18.99
- Merton, £25.13
- Southwark, £21.25
- Tower Hamlets, £21.09
- Waltham Forest, £17.36
- Westminster, £21.96

Pros	Cons
<ul style="list-style-type: none"> • Improves transparency of public service spending for a significant value of public money. • Improve the ability to enforce adherence to the ECC and improve employment standards for care workers. • Improve the Council's ability to embed social value within the neighbourhoods. • Improve commitment to neighbourhood working and delivering the strategic priorities in social care. • Provides stability in the market the duration of the contracts. • Enables commissioners to focus their time on improving services across 8 providers for the duration of the contracts. • Strengthens the Council's ability to meet its Care Act duty to manage the local market. • Enables the Council to take a 'test and learn' approach with successful providers who may bring skills and knowledge from other areas of their service provision. • Enables the Council to fix the price for care and support at home over the period of the contract and enables us to better manage our budgets. 	<ul style="list-style-type: none"> • Creates an indirect relationship with the Council and residents. • This will by definition limit the local provision of services in favour of those successful. • This may increase the overall expenditure for care and support at home, due to the increased expectations on providers to adhere to the ECC. • The size of the proposed contracts may deter or restrict small and micro-organisations from tendering. However, following mobilisation of these contracts in late 2026, commissioners will review services that require more specialist attention (e.g. the d/Deaf community) and require a different approach to commissioning. This may offer opportunities for smaller organisations.

<p>Financial assessment – Likely to have a modest increase on current expenditure owing to increased expectation to adhere to the ECC and improved social value outcomes.</p>	
Outcome	Recommended
<p>Option 3 – In-house service delivery</p>	
<p>Benchmarking – Nationally, the vast majority of care and support at home is provided through contractual relationships with external providers. Some examples where local authorities provide in house reablement services result in the separation of roles, with assessment and coordination provided by the council, and the delivery provided either by the council and / or provided via a spot purchased provider. Comparator in house services are between 330% and 508-595% more expensive than current commissioned services. This equates to an increase spend of between £620m and £4,800m for homecare and increase spend for reablement of between £41.5m and £74m, in addition to the £188m and £12.5m currently forecast for the commissioned services.</p>	
Pros	Cons
<ul style="list-style-type: none"> Ensures services share Camden's vision and take a strengths-based approach to transform outcomes. Enables full utilisation of Camden's local knowledge and relationships to improve community participation. Council controls service strategy and retains flexibility to change it. Ability to have greater control of social value. Council retains full control to drive efficiencies/economies of scale. Facilitates a direct relationship between the Council and residents. 	<ul style="list-style-type: none"> Management capacity, expertise and specialisms are difficult to establish. Cannot benefit from the potential innovation a competitive market could offer, or benefit from providers. Current staff eligible for TUPE, which would increase the staff employed by the Council. Set-up costs (ICT, management structures, etc) and staff costs are higher than current costs, impacting on value for money and MTFS intentions. Ongoing service costs are likely to be higher than current expenditure for care and support at home. Comparator in house services are between 330% and 508-595% more expensive than current services Comparator in-house homecare services lack outcome measures for

	<p>residents and a detailed cost analysis of the change from outsourcing.</p> <ul style="list-style-type: none">• Could not be implemented by July – Oct 2023 but could be considered in the longer term when the contracts come to an end as the Council develops its capacity, capability and infrastructure to operate in-house services
<p>Financial assessment – Likely to increase costs significantly, following further research with other London boroughs and councils across the country, this is estimated to cost over 300% more than current budgets allow with no clear benefits identified.</p> <p>It should be noted that the Council has financial responsibility for employees TUPE'd from the Council into the private sector 25 (est.) years ago. Consequently, in-sourcing decisions taken over the coming years will need to consider long-term implications.</p>	
Outcome	Not recommended